

ENVIRONMENTAL QUALITY MANAGEMENT, INC.
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October 20, 1998

Mr. Fred Boglione
U.S. Army Corps of Engineers
Buffalo District
1776 Niagara Street
Buffalo, NY 14207-3199

Subject: SPIDT Contract No. DACW49-98-D-0003, D.O. No. 1
Damage to Structures at the Lake Ontario Ordnance Works Site

Dear Mr. Boglione:

Environmental Quality Management, Inc. (EQ) is extremely concerned about the damage to the Lake Ontario Ordnance site and we acknowledge/accept responsibility for all necessary repairs. We have discussed all damage concerns with Environmental Products and Services (EPS) and have received assurances from corporate officials that the damage will be corrected prior to project completion. The damage concerns and proposed corrective actions are listed below:

- 1) Area E – Damage to the containment wall will be repaired by attaching reinforcing rods, reforming the wall, and pouring new concrete to match the quality of the existing wall. Damaged tank supports will be removed and disposed of, subject to written approval of the owners. Damaged well casing pads will be replaced.
- 2) Area F – The fence posts and telephone pole will not be replaced, per discussions between Brian Spears (EQ) and Ray Pilon (USACE) during the October 14, 1998 site visit. Damage to the north and west walls will be evaluated and repaired as necessary.
- 3) Building 30A -The three broken windows will be replaced and the scrape on the wall will be touched up.

EQ will ensure the property owner, a USACE representative, and an EQ representative are included in all preplanning meetings for any additional work. EQ recognizes USACE's concern about personnel assigned to the site from EPS. EPS has replaced the asbestos Foreman/Supervisor, Linda Scott will not have further involvement with site activities, and Kevin Cannon has been counseled. Mr. Cannon will have no further interface with the USACE without EQ approval. Any further concerns about Mr.



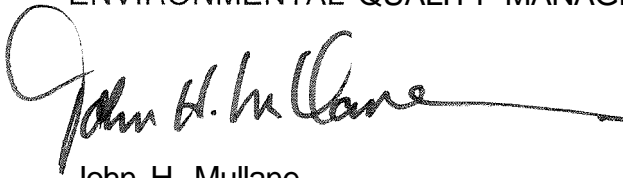
Cannon's performance from either the USACE representative or EQ will result in his removal from the site. We have received assurance from EPS that they understand USACE concerns and will immediately remedy any and all concerns raised.

EQ and EPS are presently ahead of schedule for this project and anticipate project completion on time. EQ values its excellent relationship with the Corps of Engineers and will work quickly and effectively to address all concerns on this important project.

If you have any further questions or concerns, please contact me at (513) 8257500.

Sincerely,

ENVIRONMENTAL QUALITY MANAGEMENT, INC.

A handwritten signature in black ink, reading "John H. Mullane". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

John H. Mullane
Director, Field Services
Project Manager

JHM/msc

cc: Dave Bingert, USACE
Raymond Pilon, USACE
Michael Hrywnak, USACE
Harold Leggett, USACE
Dennis Breh, EPS
Mike Melia, EPS
Brian Spears, EQ
Tom Wey, EQ